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## NOTICE OF ALLOWANCE AND FEE(S) DUE

39602 7590 04/17/2009

THE NOBLITT GROUP, PLLC  
4800 NORTH SCOTTSDALE ROAD  
SUITE 6000  
SCOTTSDALE, AZ 85251

EXAMINER

GREIMEL, JOCELYN

ART UNIT

PAPER NUMBER

3693

DATE MAILED: 04/17/2009

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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09/844,198

04/27/2001

Nicco Willis

10060.0100

2147

TITLE OF INVENTION: COMPUTER-IMPLEMENTED METHOD AND APPARATUS FOR ADJUSTING THE COST BASIS OF A SECURITY

APPLN. TYPE	SMALL ENTITY	ISSUE FEE DUE	PUBLICATION FEE DUE	PREV. PAID ISSUE FEE	TOTAL FEE(S) DUE	DATE DUE
nonprovisional	NO	\$1510	\$300	\$0	\$1810	07/17/2009

**THE APPLICATION IDENTIFIED ABOVE HAS BEEN EXAMINED AND IS ALLOWED FOR ISSUANCE AS A PATENT. PROSECUTION ON THE MERITS IS CLOSED. THIS NOTICE OF ALLOWANCE IS NOT A GRANT OF PATENT RIGHTS. THIS APPLICATION IS SUBJECT TO WITHDRAWAL FROM ISSUE AT THE INITIATIVE OF THE OFFICE OR UPON PETITION BY THE APPLICANT. SEE 37 CFR 1.313 AND MPEP 1308.**

**THE ISSUE FEE AND PUBLICATION FEE (IF REQUIRED) MUST BE PAID WITHIN THREE MONTHS FROM THE MAILING DATE OF THIS NOTICE OR THIS APPLICATION SHALL BE REGARDED AS ABANDONED. THIS STATUTORY PERIOD CANNOT BE EXTENDED. SEE 35 U.S.C. 151. THE ISSUE FEE DUE INDICATED ABOVE DOES NOT REFLECT A CREDIT FOR ANY PREVIOUSLY PAID ISSUE FEE IN THIS APPLICATION. IF AN ISSUE FEE HAS PREVIOUSLY BEEN PAID IN THIS APPLICATION (AS SHOWN ABOVE), THE RETURN OF PART B OF THIS FORM WILL BE CONSIDERED A REQUEST TO REAPPLY THE PREVIOUSLY PAID ISSUE FEE TOWARD THE ISSUE FEE NOW DUE.**

### HOW TO REPLY TO THIS NOTICE:

#### I. Review the SMALL ENTITY status shown above.

If the SMALL ENTITY is shown as YES, verify your current SMALL ENTITY status:

A. If the status is the same, pay the TOTAL FEE(S) DUE shown above.

B. If the status above is to be removed, check box 5b on Part B - Fee(s) Transmittal and pay the PUBLICATION FEE (if required) and twice the amount of the ISSUE FEE shown above, or

If the SMALL ENTITY is shown as NO:

A. Pay TOTAL FEE(S) DUE shown above, or

B. If applicant claimed SMALL ENTITY status before, or is now claiming SMALL ENTITY status, check box 5a on Part B - Fee(s) Transmittal and pay the PUBLICATION FEE (if required) and 1/2 the ISSUE FEE shown above.

II. PART B - FEE(S) TRANSMITTAL, or its equivalent, must be completed and returned to the United States Patent and Trademark Office (USPTO) with your ISSUE FEE and PUBLICATION FEE (if required). If you are charging the fee(s) to your deposit account, section "4b" of Part B - Fee(s) Transmittal should be completed and an extra copy of the form should be submitted. If an equivalent of Part B is filed, a request to reapply a previously paid issue fee must be clearly made, and delays in processing may occur due to the difficulty in recognizing the paper as an equivalent of Part B.

III. All communications regarding this application must give the application number. Please direct all communications prior to issuance to Mail Stop ISSUE FEE unless advised to the contrary.

**IMPORTANT REMINDER: Utility patents issuing on applications filed on or after Dec. 12, 1980 may require payment of maintenance fees. It is patentee's responsibility to ensure timely payment of maintenance fees when due.**

# **PART B - FEE(S) TRANSMITTAL**

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INSTRUCTIONS: This form should be used for transmitting the ISSUE FEE and PUBLICATION FEE (if required). Blocks 1 through 5 should be completed where appropriate. All further correspondence including the Patent, advance orders and notification of maintenance fees will be mailed to the current correspondence address as indicated unless corrected below or directed otherwise in Block 1, by (a) specifying a new correspondence address; and/or (b) indicating a separate "FEE ADDRESS" for maintenance fee notifications.

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39602 7590 04/17/2009

THE NOBLITT GROUP, PLLC  
4800 NORTH SCOTTSDALE ROAD  
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## **Certificate of Mailing or Transmission**

I hereby certify that this Fee(s) Transmittal is being deposited with the United States Postal Service with sufficient postage for first class mail in an envelope addressed to the Mail Stop ISSUE FEE address above, or being facsimile transmitted to the USPTO (571) 273-2885, on the date indicated below.

(Depositor's name)
(Signature)
(Date)

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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09/844,198 04/27/2001 Nicco Willis 10060.0100 2147

TITLE OF INVENTION: COMPUTER-IMPLEMENTED METHOD AND APPARATUS FOR ADJUSTING THE COST BASIS OF A SECURITY

APPLN. TYPE	SMALL ENTITY	ISSUE FEE DUE	PUBLICATION FEE DUE	PREV. PAID ISSUE FEE	TOTAL FEE(S) DUE	DATE DUE
nonprovisional	NO	\$1510	\$300	\$0	\$1810	07/17/2009

EXAMINER	ART UNIT	CLASS-SUBCLASS
GREIMEL, JOCELYN	3693	705-035000

1. Change of correspondence address or indication of "Fee Address" (37 CFR 1.363).

- ☐ Change of correspondence address (or Change of Correspondence Address form PTO/SB/122) attached.
- ☐ "Fee Address" indication (or "Fee Address" Indication form PTO/SB/47; Rev 03-02 or more recent) attached. **Use of a Customer Number is required.**

2. For printing on the patent front page, list

- (1) the names of up to 3 registered patent attorneys or agents OR, alternatively, 1 \_\_\_\_\_
- (2) the name of a single firm (having as a member a registered attorney or agent) and the names of up to 2 registered patent attorneys or agents. If no name is listed, no name will be printed. 2 \_\_\_\_\_
- 3 \_\_\_\_\_

3. ASSIGNEE NAME AND RESIDENCE DATA TO BE PRINTED ON THE PATENT (print or type)

PLEASE NOTE: Unless an assignee is identified below, no assignee data will appear on the patent. If an assignee is identified below, the document has been filed for recordation as set forth in 37 CFR 3.11. Completion of this form is NOT a substitute for filing an assignment.

(A) NAME OF ASSIGNEE (B) RESIDENCE: (CITY and STATE OR COUNTRY)

Please check the appropriate assignee category or categories (will not be printed on the patent) : ☐ Individual ☐ Corporation or other private group entity ☐ Government

4a. The following fee(s) are submitted:

- ☐ Issue Fee
- ☐ Publication Fee (No small entity discount permitted)
- ☐ Advance Order - # of Copies \_\_\_\_\_

4b. Payment of Fee(s); (Please first reapply any previously paid issue fee shown above)

- ☐ A check is enclosed.
- ☐ Payment by credit card. Form PTO-2038 is attached.
- ☐ The Director is hereby authorized to charge the required fee(s), any deficiency, or credit any overpayment, to Deposit Account Number \_\_\_\_\_ (enclose an extra copy of this form).

5. Change in Entity Status (from status indicated above)

- ☐ a. Applicant claims SMALL ENTITY status. See 37 CFR 1.27. ☐ b. Applicant is no longer claiming SMALL ENTITY status. See 37 CFR 1.27(g)(2).

NOTE: The Issue Fee and Publication Fee (if required) will not be accepted from anyone other than the applicant; a registered attorney or agent; or the assignee or other party in interest as shown by the records of the United States Patent and Trademark Office.

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Date \_\_\_\_\_

Typed or printed name \_\_\_\_\_

Registration No. \_\_\_\_\_

This collection of information is required by 37 CFR 1.311. The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.14. This collection is estimated to take 12 minutes to complete, including gathering, preparing, and submitting the completed application form to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, Virginia 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Commissioner for Patents, P.O. Box 1450, Alexandria, Virginia 22313-1450.

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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/844,198	04/27/2001	Nicco Willis	10060.0100	2147
39602	7590	04/17/2009	EXAMINER	
THE NOBLITT GROUP, PLLC 4800 NORTH SCOTTSDALE ROAD SUITE 6000 SCOTTSDALE, AZ 85251			GREIMEL, JOCELYN	
			ART UNIT	PAPER NUMBER
			3693	
DATE MAILED: 04/17/2009				

## Determination of Patent Term Adjustment under 35 U.S.C. 154 (b) (application filed on or after May 29, 2000)

The Patent Term Adjustment to date is 1335 day(s). If the issue fee is paid on the date that is three months after the mailing date of this notice and the patent issues on the Tuesday before the date that is 28 weeks (six and a half months) after the mailing date of this notice, the Patent Term Adjustment will be 1335 day(s).

If a Continued Prosecution Application (CPA) was filed in the above-identified application, the filing date that determines Patent Term Adjustment is the filing date of the most recent CPA.

Applicant will be able to obtain more detailed information by accessing the Patent Application Information Retrieval (PAIR) WEB site (<http://pair.uspto.gov>).

Any questions regarding the Patent Term Extension or Adjustment determination should be directed to the Office of Patent Legal Administration at (571)-272-7702. Questions relating to issue and publication fee payments should be directed to the Customer Service Center of the Office of Patent Publication at 1-(888)-786-0101 or (571)-272-4200.

<b>Notice of Allowability</b>	<b>Application No.</b>	<b>Applicant(s)</b>	
	09/844,198	WILLIS ET AL.	
	<b>Examiner</b>	<b>Art Unit</b>	
	JOCELYN GREIMEL	3693	

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address--**

All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance (PTOL-85) or other appropriate communication will be mailed in due course. **THIS NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIGHTS.** This application is subject to withdrawal from issue at the initiative of the Office or upon petition by the applicant. See 37 CFR 1.313 and MPEP 1308.

1. ☒ This communication is responsive to 8/11/08.
2. ☒ The allowed claim(s) is/are 1-29,39 and 40.
3. ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
  - a) ☐ All    b) ☐ Some\*    c) ☐ None    of the:
    1. ☐ Certified copies of the priority documents have been received.
    2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
    3. ☐ Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

\* Certified copies not received: \_\_\_\_\_.

Applicant has THREE MONTHS FROM THE "MAILING DATE" of this communication to file a reply complying with the requirements noted below. Failure to timely comply will result in ABANDONMENT of this application.

**THIS THREE-MONTH PERIOD IS NOT EXTENDABLE.**

4. ☐ A SUBSTITUTE OATH OR DECLARATION must be submitted. Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL PATENT APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient.
5. ☐ CORRECTED DRAWINGS ( as "replacement sheets") must be submitted.
  - (a) ☐ including changes required by the Notice of Draftsperson's Patent Drawing Review ( PTO-948) attached
    - 1) ☐ hereto or 2) ☐ to Paper No./Mail Date \_\_\_\_\_.
  - (b) ☐ including changes required by the attached Examiner's Amendment / Comment or in the Office action of Paper No./Mail Date \_\_\_\_\_.

**Identifying indicia such as the application number (see 37 CFR 1.84(c)) should be written on the drawings in the front (not the back) of each sheet. Replacement sheet(s) should be labeled as such in the header according to 37 CFR 1.121(d).**
6. ☐ DEPOSIT OF and/or INFORMATION about the deposit of BIOLOGICAL MATERIAL must be submitted. Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

**Attachment(s)**

- |   |  |
|---|--|
| <ol style="list-style-type: none"> <li>1. <input type="checkbox"/> Notice of References Cited (PTO-892)</li> <li>2. <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)</li> <li>3. <input type="checkbox"/> Information Disclosure Statements (PTO/SB/08),<br/>Paper No./Mail Date _____</li> <li>4. <input type="checkbox"/> Examiner's Comment Regarding Requirement for Deposit<br/>of Biological Material</li> </ol> | <ol style="list-style-type: none"> <li>5. <input type="checkbox"/> Notice of Informal Patent Application</li> <li>6. <input checked="" type="checkbox"/> Interview Summary (PTO-413),<br/>Paper No./Mail Date <u>9/12/08</u> .</li> <li>7. <input checked="" type="checkbox"/> Examiner's Amendment/Comment</li> <li>8. <input checked="" type="checkbox"/> Examiner's Statement of Reasons for Allowance</li> <li>9. <input type="checkbox"/> Other _____.</li> </ol> |
|---|--|

/Stefanos Karmis/  
Primary Examiner, Art Unit 3693

### **DETAILED ACTION**

The following communication is in response to Applicant's Arguments and Remarks filed 13 March 2008 and Applicant's Response to Restriction Requirement filed 11 August 2008. This application claims priority from provisional application 60/200,088, filed 27 April, 2000.

### ***Status of Claims***

Claims 1-29 and 39-40 are currently pending. Claims 30-38 have been withdrawn. Claims 1, 39 and 40 are independent claims.

### ***Information Disclosure Statement***

No Information Disclosure Statements were filed in this application.

***Allowable Subject Matter***

Claims 1-29 and 39 are allowed, claims 30-38 and 40 have been cancelled, subject to the Examiner's amendment described below.

A clean version of the claims is presented in the following section as an Examiner's Amendment.

Should the changes and/or additions be unacceptable to applicant, an amendment may be filed as provided by 37 CFR 1.312. To ensure consideration of such an amendment, it MUST be submitted no later than the payment of the issue fee.

Authorization for this Examiner's amendment was given in by Dan Noblitt on April 15, 2009.

***Examiner's Amendment***

1. A computer-implemented method for determining a cost basis associated with a plurality of shares of a security, comprising the steps of:  
entering, into a computer system, information identifying  
    an issuer associated with the security,  
    a purchase date of the security, and  
    a number of shares of the security purchased on the purchase date;  
determining a purchase price per share of the security on the purchase date;  
retrieving from a database, in response to the information identifying the issuer,  
    the purchase date and  
    a sale date,  
    a list of capital events that occurred in connection with the security between the purchase date and sale date,  
wherein the list of capital events includes at least one event selected from the group consisting of  
    a distribution reinvestment,  
    a spin-off event,  
    a merger event and  
    a split event, and  
wherein the database stores past price per share information and capital events for a plurality of different securities associated with different issuers;  
retrieving from a database ~~one or more~~ multiple shares held adjustment ratios, wherein each of the shares held adjustment ratios corresponds to at least one of the capital events that occurred in connection with the security between the purchase date and the sale date;  
determining a current cost basis associated with the security by applying each of the shares held adjustment ratios to an initial basis of the security, including;  
    assigning an intermediate cost basis equal to the current cost basis;  
    adjusting the current cost basis by applying a further shares held adjustment ratio to the intermediate cost basis; and

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repeating the steps of assigning an intermediate cost basis equal to the current cost basis and adjusting the current cost basis until each further shares held adjustment ratio retrieved from the database has been used to adjust the current cost basis of the security, wherein each further shares held adjustment ratio retrieved from the database has an event date associated therewith and is applied in a chronological order such that a shares held adjustment ratio associated with a latest event date is applied in a final iteration of the step of adjusting the current cost basis; and storing information relating to the current cost basis in a memory.

2. The method of claim 1, wherein the price of the security on a purchase date is provided by a user.
3. The method of claim 1, wherein the price of the security on a purchase date is obtained from a database.
4. The method of claim 1, wherein the plurality of different securities include common stocks, mutual funds and closed end bond funds.
5. The method of claim 1, wherein the shares held adjustment ratio associated with each distribution reinvestment event stored in the database corresponds to a dividend amount issued per share at the time of each such distribution reinvestment event.
6. The method of claim 1, wherein the shares held adjustment ratio associated with each split event stored in the database corresponds to a number of additional shares of a given security issued for each share of the given security held prior to such split event.
7. The method of claim 1, wherein the shares held adjustment ratio associated with each merger event stored in the database corresponds to a number of shares of a security associated with a merged entity issued for each share associated with an issuer that merged into the merged entity.



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8. The method of claim 1, wherein the shares held adjustment ratio associated with each spin-off event stored in the database corresponds to a number of shares of a security associated with a spun-off entity issued for each share associated with an issuer that divested the spun-off entity.

9. The method of claim 1, wherein the shares held adjustment ratio associated with a merger event stored in the database corresponds to a number of shares of a security associated with a merger entity issued for each share associated with an issuer that merged with the merger entity.

10. The method of claim 1, wherein the list of capital events further includes worthless security events.

11. The method of claim 10, further comprising the step of notifying a user of the worthless security event, the date of the worthless security event, and the basis of the security at the time of the worthless security event.

12. The method of claim 1, wherein the step of entering, into a computer system, information identifying an issuer associated with the security, a purchase date of the security, and a number of shares of the security purchased on the purchase date further comprises entering the information into the computer system via a graphical user interface.

13. The method of claim 1, wherein the step of entering, into a computer system, information identifying an issuer associated with the security, a purchase date of the security, and a number of shares of the security purchased on the purchase date further comprises entering the information into the computer system via a spreadsheet interface.

14. The method of claim 1, wherein the step of entering, into a computer system, information identifying an issuer associated with the security, a purchase date of the security, and a number of shares of the security purchased on the purchase date further comprises entering the information into the computer system via a batch list.

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15. The method of claim 1, wherein the list of capital events further includes security delisting events, and the method further comprises the step of notifying a user of the delisting event, the date of the delisting event, and the basis of the security of the delisting event.

16. The method of claim 15, wherein the list of capital events further includes security relisting events, and the method further comprises the step of determining whether a security has been relisted after a delisting event.

17. The method of claim 1, wherein the database stores the capital events for the plurality of different securities in a first table, and the database stores price information for each of the plurality of different securities in at least a second table.

18. The method of claim 17, wherein the database further stores security issuer information in a third table, said security issuer information correlating identification changes in a security.

19. The method of claim 17, wherein for each capital event stored in the first table, the database includes fields corresponding to a name of a company associated with such capital event, a stock symbol associated with such capital event, a CUSIP number associated with such capital event, a date of such capital event, a type of such capital event, and a shares held adjustment ratio associated with such capital event.

20. The method of claim 19, wherein for each capital event stored in the first table, the database further includes a field that stores a value correlating the stock symbol and the CUSIP number associated with such capital event.

21. The method of claim 20, wherein the value correlating the stock symbol and the CUSIP number uniquely identifies an issuer associated with a given security in the database as such issuer undergoes merger events, spin-off events and name change events.

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22. The method of claim 17, wherein for each date for which price information is stored in the second table, the database stores a high price, a low price, an open price and a close price for each of the plurality of different securities.

23. The method of claim 1, further comprising the steps of:

determining whether a security for which a present basis is to be determined is an option security; and

where the security for which a present basis is sought is an option security, determining whether the option security was exercised.

24. The method of claim 23, further comprising the steps of:

retrieving a shares held adjustment ratio and an exercise price for an option security from a database when it is determined that the option security was exercised; and

determining from an option security basis and the exercise price a basis in a security obtained by exercise of the option security.

25. The method of claim 23, further comprising the steps of:

retrieving an expiration date from a database when it is determined that an option security has not been exercised; and

where the expiration date is prior to the present date, informing a user of the expiration of the option security, the date of such expiration, and the basis of the option securities held on the date of expiration.

26. The method of claim 1, wherein the list of capital events further includes at least one rights issuance.

27. The method of claim 26, further comprising the steps of:

when rights issuance is retrieved as a capital event for a security, notifying the user of the rights issuance;

determining whether the rights have been exercised; and

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when the rights have been exercised, determining a basis allocation between the original security and a security acquired by exercise of the rights.

28. The method of claim 1, wherein the list of capital events further includes at least one warrants issuance.

29. The method of claim 28, further comprising the steps of:

when a warrants issuance is retrieved as a capital event, notifying the user of the warrants issuance;

determining whether the warrant has been exercised; and

when the warrant has been exercised, determining a basis allocation between the original security and the interest acquired by exercise of the warrant.

30-38 Cancelled.

39. A system for determining a cost basis associated with a plurality of shares of a security, comprising:

a computer system with a user interface that receives information identifying an issuer associated with the security, a purchase date of the security, a number of shares of the security purchased on the purchase date, and a sale date of the security;

a database coupled to the computer system, wherein the database stores a purchase price per share of the security on the purchase date;

a medium storing instructions, wherein the instructions when executed by the computer cause the computer system to perform the following method steps:

retrieving from the database, in response to the information identifying the issuer, the purchase date and the sale date, a list of capital events that occurred in connection with the security between the purchase date and sale date, wherein the list of capital events includes at least one event selected from the group consisting of a reinvested dividend event, a stock spin-off event, a stock merger event and a stock split event, and wherein the database stores past price per

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share information and capital events for a plurality of different securities associated with different issuers;

retrieving from the database multiple cost basis adjustment ratios, wherein each of the cost basis adjustment ratios corresponds to one of the capital events that occurred in connection with the security between the purchase date and the sale date;

determining a current cost basis associated with the security by applying each of the cost basis adjustment ratios to the purchase price per share of the security, including;

assigning an intermediate cost basis equal to the current cost basis;

adjusting the current cost basis by applying a further cost basis adjustment ratio to the intermediate cost basis; and

repeating the steps of assigning an intermediate cost basis equal to the current cost basis and adjusting the current cost basis until each further cost basis adjustment ratio retrieved from the database has been used to adjust the current cost basis, wherein each further cost basis adjustment ratio retrieved from the database has an event date associated therewith and is applied in a chronological order such that a cost basis adjustment ratio associated with a latest event date is applied in a final iteration of the step of adjusting the current cost basis.

40. cancelled

***Reasons for Allowance***

The following is an examiner's statement of reasons for allowance. The closest prior art of record is: GainsKeeper - Making Investing & Capital Gains Reporting Easy, "Frequently Asked Questions", [www.gainskeeper.com](http://www.gainskeeper.com) of March 03, 2000 and links circa 1999, (found on [www.archive.org](http://www.archive.org), on 08/19/2007), pages 1-4 (hereinafter, Gainskeeper); Brown et al (US Patent No. 7,031,937 B2, hereinafter, Brown); and IRS Publication 564 Mutual Fund Distributions - Department of the Treasury, Internal Revenue Service, (hereinafter, Mutual Fund). Gainskeeper generally discusses evaluating the cost basis for shares. However, the Gainskeeper system does not receive and incorporate security pricing, and therefore does not determine a purchase price per share of the security on the purchase date. Applicant's claims call for assigning an intermediate cost basis equal to the current cost basis; adjusting the current cost basis by applying a further shares held adjustment ratio to the intermediate cost basis; and repeating the steps of assigning an intermediate cost basis equal to the current cost basis and adjusting the current cost basis until each further shares held adjustment ratio retrieved from the database has been used to adjust the current cost basis of the security, wherein each further shares held adjustment ratio retrieved from the database has an event date associated therewith and is applied in a chronological order such that the a shares held adjustment ratio associated with a latest event date is applied in a final iteration of the step of adjusting the current cost basis. These steps are not disclosed in or suggested by the GainsKeeper reference, and are not obvious in view of the GainsKeeper disclosure.

The Brown reference is a method for automatically managing investment portfolios which tracks a selected index and automatically harvests tax losses. Brown, however, does not discuss assigning an intermediate cost basis, adjusting and repeating (as detailed above).

The Mutual Fund reference generally discusses the concept of a basis and figuring gain or loss when shares are sold, exchanged, or redeemed. However, the Mutual Fund reference does not disclose the assigning an intermediate cost basis, adjusting and repeating (as detailed above). While there are similarities between the Gainskeeper, Brown and Mutual Fund and the proposed invention, there are clear patentable distinctions. Therefore, Gainskeeper, Brown and Mutual Fund, alone or in combination, do not discuss retrieving multiple shares held adjustment ratios corresponding to capital events, determining a current cost basis/assigning an intermediate cost basis (for one or more shares), adjusting the current cost basis to an intermediate cost basis and repeating the steps of assigning an intermediate cost basis to the current cost basis and adjusting the current cost basis until all the shares held adjustment ratios have been used.

Regarding claim 1, the prior art of record, alone or combination, neither discloses nor fairly suggests the limitations, of a system for determining a cost basis associated with a plurality of shares of a security, comprising:

retrieving from a database, in response to the information identifying the issuer, the purchase date and a sale date, a list of capital events that occurred in connection

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with the security between the purchase date and sale date, wherein the list of capital events includes at least one event selected from the group consisting of a distribution reinvestment, a spin-off event, a merger event and a split event, and wherein the database stores past price per share information and capital events for a plurality of different securities associated with different issuers;

retrieving from a database one or more shares held adjustment ratios, wherein the shares held adjustment ratios correspond to at least one of the capital events that occurred in connection with the security between the purchase date and the sale date;

if multiple shares held adjustment ratios were retrieved from the database, then

assigning an intermediate cost basis equal to the current cost basis;

adjusting the current cost basis by applying a further shares held adjustment ratio to the intermediate cost basis; and

repeating the steps of assigning an intermediate cost basis equal to the current cost basis and adjusting the current cost basis until each further shares held adjustment ratio retrieved from the database has been used to adjust the current cost basis of the security, wherein each further shares held adjustment ratio retrieved from the database has an event date associated therewith and is applied in a chronological order such that a shares held adjustment ratio associated with a latest event date is applied in a final iteration of the step of adjusting the current cost basis; and

storing information relating to the current cost basis in a memory.



Therefore, claim 1 is allowable over the prior art. Independent claims 39 and 40 are allowable for reasons substantially similar to claim 1.

Dependent claims 2-29 are deemed allowable based on their dependency to allowed claim 1.

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

### ***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JOCELYN GREIMEL whose telephone number is (571)272-3734. The examiner can normally be reached on Monday - Friday 8:30 AM - 4:30 PM EST.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on (571) 272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Jocelyn Greimel  
Examiner, Art Unit 3693  
September 11, 2008

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